

# **Slow fashion and sustainability in Spain: How can local manufacturing improve sustainability and how do consumers respond?**

*Hakan Karaosman ([hakan.karaosman@upm.es](mailto:hakan.karaosman@upm.es))*

*Department of Industrial Management, Business Administration and Statistics; School of Industrial Engineering; Universidad Politécnica de Madrid (UPM); Spain*

*Gustavo Morales-Alonso*

*Department of Industrial Management, Business Administration and Statistics; School of Industrial Engineering; Universidad Politécnica de Madrid (UPM); Spain*

*Alessandro Brun*

*Management, Economics, and Industrial Engineering, Politecnico di Milano, Milano, Italy*

## **Abstract**

"Slow Fashion" attempts to offset the demand for fast fashion and mass production (Fletcher, 2007). Consumers' response to sustainability-based practices is a limited discourse and studies for slow fashion concept are scarce. This study thus aims to enlighten the subject of how slow fashion concept could improve local economies and how Spanish consumers respond to such initiatives. This paper is based on an exploratory qualitative research for which focus group interviews including three group discussions with Spanish consumers were held. The data was examined by constant comparison analysis to present consumer insights. Moreover, a case study was conducted with a Spanish apparel brand. Saint Brissant was chosen since it manufactures in Spain to (i) ensure its products' high quality and (ii) to empower Spanish economy. This paper provides empirical insights. Even though local manufacturing was perceived to have a higher quality, Spanish consumers' behavioural intentions of using local brands were not high. Self-interest, mainly price and design, was recorded as the most influential purchase criteria. Furthermore, Saint Brissant case demonstrated that local manufacturing could boost local economies by creating workforce. However, governmental subsidies should be rearranged and consumers' perceptions should be improved to support local manufacturers in Spain.

**Keywords:** Slow fashion, Sustainability, Consumer behaviour, Qualitative study, Spain

## **1. Introduction**

United Nations described sustainability in "Our Common Future" report in 1987. Sustainable Development is to meet present generations' needs without endangering future generations' ability to satisfy theirs (United Nations, 1987). More recently, sustainability has emerged as a fundamental topic at the European Level. "Europe 2020"

is the European Union's growth strategy (European Commission, 2011). Within this strategy, five fundamental objectives have been set for 2020. Areas list employment, innovation, education, social inclusion and climate/energy. Each of these categories has been adopted for member states (Europe 2020, 2011). More specifically, Spain is expected to decelerate the unemployment rate, which rose from 8% in 2007 to 26% in 2013 (Central Intelligence Agency, 2014) and 74% of the 20-64 year-olds is anticipated to employ by 2020 (Europe 2020, 2011). To accomplish these goals, new job opportunities should be developed, economy should be fostered and workforce should be improved in Spain.

Furthermore, sustainability is closely linked with consumer marketing. Consumers' attitudinal and behavioural outcomes are likely to be influenced by many factors such as corporate identification, product attributes, brand reputation and social records. Culture has also been discussed as an important parameter as it is likely to influence consumer behaviour and purchase decisions (Abreu et al., 2012). Therefore, cultural differences and political, economical and legal factors should be carefully incorporated to examine consumers' responses to sustainability (Beckmann, 2007).

Sustainability should be investigated at the industry level given some industries have a direct impact due to their energy and work force intensities. More explicitly, the fashion and apparel industry could be a significant area to investigate. This industry is a global sector encompassing the manufacturing, distribution, sales and promotion of apparels. It is forecast to have a value of \$1.222,7 billion in 2014, an increase of 13.4% since 2009 (Reportlinker Adds Apparel Retail, 2010). In the industry, manufacturing is an important enabler for both sustainability and globalization (World Economic Forum, 2012). Thus, in order to strengthen the European economy and enhance sustainability, the fashion industry and specially manufacturing processes should be designed and continued through a sustainable methodology.

With an attempt to achieve this goal, Fletcher (2007) formed the concept of "Slow Fashion". This is a sustainable fashion movement, which gains momentum in order to slow the rate of change for a more sustainable step. By encompassing eco-design, local manufacturing, and conscious consumption, slow fashion concept could empower local economies, boost social conditions and reduce environmental impact (Aakko and Koskenurmi-sivonen, 2013). Nonetheless, a need in marketing literature arises to understand how consumers perceive and respond to slow fashion and how sustainable actions of fashion brands could bring economic advantages.

Hence, this study aims to explain (i) how consumers act toward slow fashion and local manufacturing, and (ii) how slow fashion concept could improve local economies through local manufacturing in order to achieve EU targets. The paper is structured as follows: in Section 2, a theoretical background, which consists of sustainability and slow fashion is presented. In Section 3, research objectives and methodology are introduced while the case study is depicted and results are provided in Section 4. Conclusions are presented in the last section of the paper in Section 5.

## **2. Theoretical Background**

The past decades have witnessed an increased flow of academic research in the area of sustainability. However, there is a lack in slow fashion concept and consumers' responses to it. This research, which has been conducted to contribute to the understanding of slow fashion and the influence of local manufacturing on economic development, encompasses two main areas: (i) Sustainability and (ii) Slow Fashion.

## *2.1. Sustainability*

This part consists of (i) the concept of sustainability, (ii) sustainability and cultural values and (iii) sustainability in the fashion and apparel industry.

### *2.1.1. The Concept of Sustainability*

Sustainability creates and maintains the conditions under which humans and nature could occur in a productive harmony, which permits achieving the social, economic and environmental goals (EPA, 2011). Bhattacharya and Sen (2004) have found that corporations have a significant impact on society and environment. In order to reduce these impacts for a sustainable future, not only are corporations required to have a greater sensitivity to today's changing values, but they are also required to incorporate sustainability standpoints into strategic decisions (Werther and Chandler, 2005).

As previously explained, sustainability is closely linked with consumer marketing, given the marketing concept has been defined as a diverse organizational culture that put the consumer in the centre of strategies and operations (Cadogan et al., 2008). To create and sustain a competitive advantage, consumers are extremely important for corporations. Therefore, corporations should accelerate their efforts to meet consumers' future needs and expectations (Cadogan et al., 2006). Corporate marketing orientation is a value creation and it could help go beyond profit maximization by meeting societal needs and expectations. Thus it is linked with sustainability actions and expectation relationship (Podnar and Golob, 2007).

Earlier studies suggest that consumers are perceived as the most influential stakeholder group, due to their inevitable impact on corporations' financial success. Nevertheless, marketing scholars investigated sustainability based practices by focusing on very limited dimensions. Despite its importance, when it comes to consumers' responses, limited scopes have been taken into account. This leads to the scarcity of comprehensive theoretical frameworks deriving from the marketing discipline (Maignan and Ferrell, 1997). It is inevitably important to monitor consumers' perceptions since they affect attitude. Consumer attitude is likewise significant due to its influence on consumers' behavioural intentions. Furthermore, self-interest is an important indicator and consumers are mostly influenced by sustainability initiatives when the results benefit them.

Slow fashion concept, as an inseparable pillar of sustainability, has a big influence on marketing, ethics and consumers. Nevertheless, despite earlier research attempts, a clear understanding of consumers' responses to sustainability still remains inconclusive and mixed. In summary, there is a lack of conceptual understanding of what consumers expect from a corporation and how they respond to slow fashion movement to become more sustainable.

### *2.1.2. Sustainability and Cultural Values*

Since the scope of the present research is to shed light on the sustainability perception of consumers from Spain, reference should be given to the expected cultural values of individuals from the country. When mentioning cultural values across different countries, the cultural dimensions of Geert Hofstede are an inevitable reference and source of information.

The six cultural dimensions gathered by Hofstede by the time of writing this paper are (i) Power Distance (PDI), (ii) Individualism (IDV), (iii) Masculinity (MAS), (iv) Uncertainty Avoidance (UAI), (v) Pragmatism (PRA) and (vi) Indulgence (IND) (Hofstede, 2014). The Power Distance dimension shall be defined as the extent to which the less powerful individuals in a society consider normal the unequal distribution of

power. In the second dimension, Individualism describes the degree to which people look preferably after themselves and their closest relatives, while Collectivism stands for societies where belonging to a group is believed to be of great importance. The Masculinity – Femininity dimension juxtaposes some masculine values such as competitiveness and success against so-called feminine values by Hofstede, like maintaining quality of life or solidarity. The fourth classical dimension is the Uncertainty Avoidance index, which rates the level of anxiety that unpredictable, risky situations cause people. Pragmatic versus Normative is the dimension that expresses if the individual requires concrete explanations for the complexity of life. A pragmatic orientation in life allows for adaptation to a variety of situations and a propensity to save money for the future, while normative cultures give great importance to social traditions and the feeling of saving for the future is much smaller. Last, the Indulgence versus Restraint dimension terms a culture indulgent if control of leisure and one's own life is given a certain importance, and if freedom of expression is valued. Spain, which was chosen as a country for this research, has the following scores out of 120 for each dimension.

*Table 1 - Cultural dimensions as of Hofstede (2014)*

	<b>PDI</b>	<b>IDV</b>	<b>MAS</b>	<b>UAI</b>	<b>PRA</b>	<b>IND</b>
<b>Spain</b>	57	51	42	86	48	44

Cultural values and tendencies shape a country's identity and consumer behaviour. Therefore cultural movements, values and attributes are extremely important to examine and further understand consumers' responses towards slow fashion movement and sustainability.

### *2.1.3. Sustainability in the Fashion and Apparel Industry*

The fashion and apparel industry contributes to the sustainability challenge in a number of ways. Labor intensity, global sourcing, energy intensity, short deadlines, greenhouse gas emissions, and natural source depletion are some industrial features. (Woo, 2013). Therefore, sustainability should be integrated into business models in this industry. However, since each corporation within the industry has its own corporate culture, set of values, and various stakeholder groups, it is almost impossible to generate one general standard or ethical code. Given these industrial diversities, sustainability should be utilized as a guideline to generate a corporate language to assess specific actions and improve the conditions.

Buckley and Ghauri (2004) address that globalization is a process driven by economic forces, which encompasses manufacturing, international trade and the integration of financial markets. Especially in the fashion and apparel industry, manufacturing is an important parameter for globalization (World Economic Forum, 2012). Manufacturing processes have been divided into multiple partial operations and separate stages that are held in different locations; consequently, the globalization and multinational fashion brands' strategies have a big yet negative impact on sustainability (Buckley and Ghauri, 2004). In a fast fashion environment, time and cost are the key parameters dominating buyer and manufacturer negotiations (Bruce and Daly, 2006). According to statistical data of the World Bank, more than 70% of EU member states' apparel imports come from developing and low labour cost countries to minimize the production and distribution costs (The World Bank, 2007).

Up until now business and academic literature has come short of demonstrating how slow fashion movement could influence consumer behaviour to help solve global

problems and to what extent sustainability could be improved in the fashion and apparel industry. Many studies agreed that social responsibility and sustainability could enhance consumer equity (Kim et al., 2012). However, few studies have examined the relationship between consumer-related outcomes and sustainability practices. Specifically for the fashion and apparel industry, for which sustainability is a fundamental topic, empirical examination is scarce. The fashion and apparel brands are in need of determining under what conditions consumers respond positively to their actions. Identifying consumer insights toward sustainable slow fashion concept will likely have practical as well as academic implications regarding operational and communication strategies.

## *2.2. Slow Fashion*

This part consists of (i) slow fashion concept, (ii) small and medium enterprises in Spain and (iii) local manufacturing for economic development.

### *2.2.1. Slow Fashion Concept*

Slow fashion is a new concept based on the sustainable development (Fletcher, 2007). Due to the fashion and apparel industry's inevitable impact on sustainability, this new concept seeks ways to create sustainable economies by incorporating good quality, small production lines, local manufacturing and fairer labour settings. Slow fashion process thus encompasses utilizing more environmental friendly raw materials during the **design** phase; reducing waste besides establishing better production schemes based on quality during the **manufacturing** phase and encouraging consumers to consume less during the **consumption** phase (Pookulangara and Shephard, 2013). However slow fashion challenges the industry to make an effort to comprise sustainable, ethical and environmental practices. Fashion and apparel brands, mostly fast fashion retailers, aim at reducing lead-time and providing their consumers with fashionable merchandise continuously (Pookulangara and Shephard, 2013). Therefore slow fashion seems difficult to be used by various stakeholder groups from retailers to consumers. Nevertheless it could bring significant and enriching opportunities for sustainability.

Through slow fashion concept, numerous benefits could be achieved. Local economies could be empowered, social conditions could be enhanced and environmental impact could be reduced. On the whole, sustainability could be further improved. The examples of slow fashion practices mostly come from small scale productions (Aakko and Koskennurmi-sivonen, 2013). Energy could be saved at various stages of life cycle, from production to disposal. Using environmental friendly materials and local sources could manufacture apparels, which could bring some other advantages regarding laundering (washing, drying and ironing) due to their higher qualities (Karst et al., 2009).

As a consequence of fast fashion, consumers are encouraged to purchase and dispose more. In most cases, buying a new garment is cheaper than repairing the older one. This affects local economies negatively since repair services and local craftsman become less required. Yet through slow fashion concept, local sources could be further utilized, local jobs could be created and economies could be fostered.

### *2.2.2. SMEs in Spanish Economy*

The small and medium enterprises (SMEs) are major players in the Spanish economy through their important contribution to the total economic value added and, in particular, to the large share of workforce they employ (European Commission, 2013). According to the European Commission's Small Business Act Report (2013), in Spain, the number of SMEs was 2.239.814 (as a share of 99.9% in Spain vs. 99.8% in EU-27).

The SMEs in Spain employ a significant number of people (74.9% vs. 67.5% in the EU), a long way from the level of approximately 60% in Germany and France (Maudos, 2013), and they generate more value added as €284 billion (64.8% compared to 58.4% in the EU) (European Commission, 2013). In Spain, the SMEs are mostly from wholesale and retail trade, communication, business services and construction sectors (European Commission, 2013). Spanish firms are specialised in low-tech manufacturing and less-knowledge-intensive services.

Nevertheless, new loans to SMEs fell noticeably each year since 2007 (OECD, 2013), and since mid-2009 bank credit to the private sector has contracted by 9.2%, a drop of around 172 billion euros (equivalent to 17% of GDP) (Maudos, 2013). Therefore, lack of finance is a serious problem in Spain. 27% of the Spanish SMEs declared that this was the biggest challenge encountered. This percentage is relatively higher compared to Germany (10%) or France (13%) (European Commission, 2013). Thus, SMEs should be empowered to boost the economy and overcome financial crises that the country has been facing.

### *2.2.3. Local Manufacturing for Economic Development*

"Europe 2020" is the European Union's growth strategy (European Commission, 2011). Within this strategy, five fundamental objectives have been set for 2020. Areas enlist employment, innovation, education, social inclusion and climate/energy. Each of these categories have been adopted for member states (Europe 2020, 2011).

Specific "2020 Targets" for Spain are as follows; 74% of the 20-64 year-olds to be employed, 3% of the EU's Gross Domestic Product (GDP) to be invested in R&D, greenhouse gas emissions to be 10% lower than 1990, 20% of energy to come from renewables and 20% increase in energy efficiency (Europe 2020, 2011). Therefore sustainability should be a strategic objective for EU as well as for Spain. The manufacturing industry, which is a big driving force in Europe, accounts for 16% of EU's GDP and the main goal is to increase GDP share up to 20% (Flegel, 2013). To strengthen the European economy and foster economic development, manufacturing industry should be designed locally and maintained through a sustainable methodology.

## **3. Research Objectives and Methodology**

This paper aims to examine the relationship between sustainability and slow fashion concept in a country that is hit by an economic crisis, as Spain. On one hand, consumers' responses to sustainability-based practices is a limited discourse, on the other hand, studies for slow fashion concept is scarce. Therefore, the scope of this study is to investigate (i) how to improve economies through slow fashion by local manufacturing and (ii) how consumers respond to such initiatives.

As previously explained; design, manufacturing and consumption constitute slow fashion concept that represents a vision of sustainability (Pookulangara and Shephard, 2013). Despite its close relationship, in existing literature few studies examined the correlation among slow fashion influence, economic development and consumer behavior.

Due to the limited understanding provided by existing literature into consumer responses, an exploratory qualitative study has been undertaken. So as to build a theory through a holistic perspective and obtain in-depth-knowledge, an inductive and exploratory approach is recommended as the most appropriate (Elg et al., 2008).

To further explore this field, a case study and focus group interviews, including three group discussions with Spanish consumers, were conducted. First, focus group interviews were held in order to shed light in the issue of slow fashion through consumer perspective.

Focus groups are considered to be an effective means of exploratory data collection, as they are defined as “a way of collecting qualitative data by attracting a small number of people in group discussions, ‘focused’ around a particular set of issues” (Onwuegbuzie et al., 2009). This suggests that, compared to other forms of group interviews, participants’ reactions, responses and interactions are encouraged and monitored to sustain the topic’s focus (Saunders et al., 2009). This methodology is particularly appropriate when insights surrounding a subject are limited and context is relatively un-researched (Pookulangara and Shephard, 2013), as in this case.

Focus group data were analysed in order to develop an inductively derived theory emerging from them. The methodology used in this research is consistent with procedures recommended for marketing theory development (Parasuraman et al., 1986). In the following chapter, sample selection, data collection and analysis technique will be further elaborated.

Subsequent to focus group interviews, so as to explain how local manufacturing could improve local economies, a case study was conducted. A case study research is an empirical investigation, which examines a contemporary fact when the boundaries between the fact and its context are not clear (Woodside, 2010). Therefore, it could be stressed that case study would be an ideal methodology when an in-depth exploration is required (Tellis, 1997). This research conducted a case study for these reasons. Due to its multi-perspectival nature, case study is accepted as a triangulated research strategy that involves some analytic techniques: pattern-matching, explanation-building, and time-series analysis (Tellis, 1997). For the purposes and intentions of this research, explanation-building technique was pursued to deeply understand and explain the case in order to answer the research question. In-depth interviews were conducted to gain new insights with the aim at understanding the phenomenon and revealing established findings. In order to ensure and increase the credibility and validity of the results, this research utilized data triangulation, which is a method used by qualitative researchers to check and establish validity by analyzing a research question from multiple perspectives (Guion et al., 2011).

### *3.1. Sample and Data Collection*

Academic literature suggests conducting one focus group interview by gathering four to eight participants (Saunders et al., 2009). The more complex the subject under study is, the smaller the number of members recommended in the focus group. In this study, based on the subject’s complexity and the need for further discussions, the chosen number of participants in each interview was six. The rationale for this precise number was to promote diversity and generate a comfortable environment to enable participants to exchange ideas, thoughts and experiences.

Focus group data was gathered through multiple sources including a moderator, an assistant moderator and observer. These three individuals composed the moderator team. This team worked closely to obtain, verify and interpret the data. For the purposes and intentions of this research, multiple focus groups were conducted to achieve saturation of both data and theory. In order to undertake sufficient focus groups, it is suggested conducting three or four group interviews with any one type of participant or group (Saunders et al., 2009). After the third or fourth group, if a moderator team can no longer receive new information, it is believed that saturation has been reached. During this study, three focus groups, six participants per group, were held in Madrid, Spain.

The focus groups were structured in accordance with standards conventionally applied in marketing literature (Parasuraman et al., 1986). Participants were selected

due to their common characteristics and relation to the topic discussed, with the aim at achieving a consensus. Respondents were assessed to ensure that they were active consumers and interested in the fashion industry. To maintain homogeneity and assure maximum participation, individuals were chosen based on demographic areas including age, marital status, occupation, gender, and education. Table 2 below shows the main characteristics of the participants. Consistency in age was ensured within groups; however, age diversity across groups was also provided to have different standpoints. With regard to the consumer participants, the fundamental dimension for sampling was consumers' interest and knowledge about sustainability related issues.

*Table 2 - Focus Group Participants' Characteristics*

<b>Group No</b>	<b>No of Participants</b>	<b>Age</b>	<b>Education</b>	<b>Gender</b>
Spain 1	6	25-30	Doctoral Degree	4 female, 2 male
Spain 2	6	20-25	University Degree	3 female, 3 male
Spain 3	6	25-30	Master's Degree	4 female, 2 male

<b>Group No</b>	<b>Annual Income*</b>	<b>Sustainability Knowledge</b>	<b>Purchase Frequency</b>	<b>Fashion Segment</b>
Spain 1	€ 30,000 - 35,000	Basic	Not often	Mainstream
Spain 2	€ 35,000 +	High	Often	Mainstream
Spain 3	€ 30,000 - 35,000	Basic	Not often	Mainstream

\*Minimum wage in Spain: €752.85 per month in 12 payments, €645.30 per month in 14 payments (Ministerio de Empleo y Seguridad Social, 2013).

The researchers established one set of questions to utilize during the focus group interviews. The questions asked in the discussions were based on current literature and were open-ended to let participants actively participate. In order to maximize individuals' participation in the discussion, the focus groups were held in Spanish. Each discussion was recorded with the participants' permission, and then the transcript of these group discussions was translated into English. The method used to analyse each of these three focus groups' transcripts is described in the next section.

### *3.2. Data Analyses*

As previously indicated, focus group interviews were recorded while the moderator and assistant moderator were taking notes. In order to establish a careful investigation, a tape-based analysis was conducted. The tape-based analysis is a widely used method in which the researcher listens to the recordings and creates a transcript by organizing the ideas (Onwuegbuzie et al., 2009). This technique was pursued so as to focus on the research question and transcribe the sections that could fit in with a better understanding of the research interest. Analysing and interpreting the data from different groups' interactions, especially from dissenters, allowed researchers to determine to what extent the data achieved saturation.

More precisely, Constant Comparison Analysis was applied. Various scholars suggest that using this technique to analyse data could generate valid contextual implications. Constant comparison analysis covers three major stages; open coding, axial coding and selective coding (Onwuegbuzie et al., 2009). During the first stage,



(open coding) the data is sorted into small units by assigning codes. Then during the second stage (axial coding) these initial codes are grouped into categories. In the final stage (selective coding), themes are developed to channel the content of focus group data. In this research, 97 codes were assigned, 12 categories were created and then two themes emerged. During open and axial coding processes, online qualitative data analysis software was used (Saturate, 2013).

Constant comparison analysis was used since multiple focus groups were conducted in this research. The purpose of using constant comparison analysis was to assess saturation in and across groups. One focus group's data is analysed at a time; therefore multiple focus groups' analyses could serve as a substitution for theoretical sampling in order to assess the relevance of the themes. After analysis, the themes emerged could be listed in two main categories:

1. Consumers' perceptions of sustainability
2. Purchase decision of Spanish consumers

#### **4. Results**

In this chapter, results are presented. Results are categorized in two main parts including (i) Slow Fashion: Consumer perspective and (ii) Slow Fashion: Company perspective. To further comprehend how Spanish consumers respond to sustainability and slow fashion concept, focus group findings are disclosed. Following focus group findings, the case study is presented to channel how a company put sustainability into its manufacturing strategy with an attempt to improve Spanish economy.

##### *4.1. Slow Fashion: How do consumers respond?*

###### *4.1.1. Consumers' Perceptions of Sustainability*

Despite being aware of the fact that a corporation seeks to maximize its profits, participants in Spanish focus groups are nevertheless concerned with how those profits are made. The consumers identify the corporation as being responsible when it treats its employees in a fair manner and when consumers are asked to pay a reasonable price for good quality.

However, it is worth noting that consumers felt that sustainability actions are part of a marketing strategy. According to the opinion of the focus groups, sustainability and social responsibility should be employed at corporate level rather than being held as a separate strategy for a marketing purpose. Participants stressed that in their opinion; socially responsible actions can only be considered not part of the marketing strategies of the company when it is integrated into the firm's business model.

The majority of the participants stressed that they did not check or ask where fashion garments came from. This finding suggests that in Spain, sustainability consciousness does not intervene whilst purchasing. Nevertheless, Spanish participants indicated that social awareness in society was growing. However, it is still not seen as a direct enabler to respond to slow fashion concept positively. During the interviews there was a common theme that social scandals are forgotten fast. Several of the participants agree that since those incidents happen far away from Spain, consumers do not feel affected in person. This finding suggests an interesting perspective: when a Spanish person or group is affected directly, other Spaniards would consider punishing the corporation that causes the incident, in the so-called 'My People' approach. Even though Spanish participants do not punish the corporations due to previous social records, they would respond negatively when their local communities are in danger. Nevertheless, they do not support any brand because of its strategy towards empowering local communities

inside the country. This finding suggests that, Spanish consumers would rather satisfy their own self-interest than help expand local manufacturing with an intention of boosting economical development.

#### *4.2.2. Purchase Decisions of Spanish Consumers*

During the interviews the participants were inquired to prioritize their purchase criteria. Participants claimed that self-interest and personal values were the biggest influences. Particularly, consumers indicated that price and product attributes (i.e. design) were their main criteria. These findings show that sustainability is not the most dominant criteria within the purchase decision-making process. Price, design, branding and other product attributes are considered relevant and decisive factors in the purchase decision. An evidence of the validity of the result is Pookulangara's (2013) theory, which argues that regardless of the awareness level, price and design have greater impact on purchase behaviour.

Another interesting outcome emerged during the interviews with Spanish consumers. The majority of the participants argued that fast fashion products were not of quality, irrespective of the brand or the category, meaning that consumers spent money on a brand name rather than quality. Contrarily, the majority of Spanish participants agreed that local manufacturers had better quality than fast fashion retailers. However, since international fashion retailers' products are relatively affordable and names are more known, people keep purchasing in spite of knowing that regular merchandise would not last long. This finding indicates that self-interest is the most influential purchase criteria and Spaniards do not consider either local communities or the country's internal economy while making purchase decisions.

### *4.2. Slow Fashion: How can local manufacturing improve economy?*

#### *4.2.1. Saint Brissant Case: Background*

Spain has faced a continued recession due to the global financial crisis. Gross domestic product (GDP) growth trend, which continued during 16 years, ended at 2009. The unemployment rate rose from 8% in 2007 to 26% in 2013 (Central Intelligence Agency, 2014). Spain's budget deficit peaked at 11.1% of GDP in 2009. The country gradually reduced the deficit to 6.8% of GDP in 2013, slightly above the 6.5% target negotiated with the EU (Central Intelligence Agency, 2014). GDP was estimated \$1.480 trillion in 2012 and \$1.457 trillion in 2011 (World Bank, 2014). With a minus growth (-1.3%) in 2013, GDP accounted for \$1.389 trillion (Central Intelligence Agency, 2014). The service sector in Spain was responsible of the 70.8% of the GDP in 2013 while the remaining was shared by the agriculture sector, 3.1%, and the industry sectors, 26% (Central Intelligence Agency, 2014; World Bank, 2014). Amongst industries, the fashion and apparel industry is one of the most influential ones due to its global import, export and trade figures. Spanish consumers, on the other hand, have become lower-price seeking, critical and more demanding for a fair balance between price and quality. Accordingly, Spanish manufacturers have begun producing basic lines with lower prices. Therefore, fast fashion and unsustainable manufacturing have been fostered. While SMEs are slowly disappearing, branded stores have become widespread through franchising and they conquer the best positions in the Spanish cities (Euromonitor International, 2013).

Therefore, it can be stated that in order to achieve EU based targets such as reducing unemployment rate, reducing the deficit, and reducing environmental impact; new business models are needed. Innovation, awareness and responsibility should be

integrated into the business models of fashion companies with an attempt to reach economic development.

Saint Brissant was founded by a group of young entrepreneurs with an unstoppable creativity and love for fashion. Despite all the challenges faced by the industry, the brand was officially launched in September 2011. Saint Brissant is a small sized fashion company located in Madrid, the capital of Spain. Primary business activity is to produce shirts, sweaters and fashion accessories. Saint Brissant's signature designs are 100% handcrafted in order to ensure the highest quality and preserve the uniqueness of design. One of the objectives of the company is to utilize local manufacturing in Spain as a means to improve Spanish economy. Innovation, creativity and drive for economic development are essential elements of the business model.

#### *4.2.2. Results*

After in-depth interviews with Saint Brissant's entrepreneurs, the following results have been obtained. As previously stressed, local manufacturing could bring further advantages such as having supply chain near by, so that active participation in production phase would be possible. That is, through local manufacturing, the designers of Saint Brissant can monitor and intervene the process while a garment is being produced. Trust and reliable communication were observed as the key outcomes of closely working with manufacturers. When interviewee was asked about operational costs, it was indicated that having garments manufactured in some other yet cheaper countries would be more cost-effective, in spite of diminishing the quality of the final product. Nonetheless, it was articulated that Saint Brissant would keep working with Spanish local manufacturers in order to foster economic sustainability and provide consumers with the best quality. Another big advantage gained through local manufacturing was to be able to produce in small quantities. Unlike mass production, using local manufacturers in Spain enabled designers to produce continuously in small amounts by preserving quality and style.

This is an important indicator for the industry given fast fashion retailers are generally criticized because of their low quality materials.

Due to globalization, manufacturers that are located at overseas defeated local manufacturers. Despite the small number of manufacturers located in Spain, Saint Brissant aims to further collaborate with them. Thus new ways of income generation could be created for local communities. When selection criterion was discussed; manufacturers' service quality, facility location, price range and references were cited.

#### *4.3 Disincentives and Needs*

Saint Brissant dedicated its resources to manufacture locally due to the competitive advantages that it brings, and at the same time because it helps empower economy inside the country. Subsequent to the interview, results stressed that consumer awareness was a big challenge. Due to the financial crisis, consumers have become more demanding and price sensitive. Self-interest has been an important parameter that shape purchasing decision (Pookulangara and Shephard, 2013). This finding has been seen corresponding with focus group outcomes.

It was indicated that governmental support would be important to improve designers' and manufacturers' conditions. Despite EU's 2020 targets and various incentives, local subsidies and lack of finance were listed as the biggest problems (European Commission, 2013). Existing subsidies or open calls have high standards and therefore for small enterprises, requirements are too difficult to be complied with. The interviewee pointed out that SMEs could be encouraged and further supported to achieve the sustainability targets. To boost economy and reach economic sustainability,

Spanish government is expected to encourage SMEs, re-arrange regulations and provide more incentives. Furthermore, Spanish consumers should be encouraged to utilize more sustainable and local products to foster all aspects of sustainability.

## 5. Conclusions

Due to economic recession, natural resource scarcity and rapid changes in trends; a growing number of people including designers, academicians, practitioners and consumers pay a significant attention to an emerging concept called Slow Fashion (Pookulangara and Shephard, 2013). In this paper, exploratory research has been conducted and an attempt has been made to contribute to the literature by investigating how local manufacturing could improve economic development and how Spanish consumers respond to such initiatives. The topic has been approached through the focus group interview methodology with participants from Spain to understand how consumers perceive and respond to slow fashion movement. Besides, a case with a Spanish company was studied to justify how local manufacturing as one process of slow fashion concept could improve economic development and foster local communities.

Based on our focus group findings, two different categories emerged, namely (i) Spanish consumers' perceptions of sustainability, and (ii) purchase decision of Spanish consumers. While Spanish participants show concerned about the wellbeing of local communities, a lack of interest in the manufacturing conditions of fast-fashion retailers in distant countries was encountered. Moreover, sustainability awareness of consumers was found low. Another finding is that the criteria that determine the purchase decision was governed by self-interest; mainly price, design, and product durability.

However, a contradiction has been detected between attitudes and behaviours. Even though the intention is to avoid purchasing from brands that have bad social records and have bad product quality, people actually do not avoid doing so. Therefore, it can be stressed that practical issues mainly motivate purchase decisions.

Through the case study conducted, local manufacturing was discussed and challenges as well as outcomes were presented. Saint Brissant is a Spanish SME that manufactures in Spain to (i) ensure its products' high quality and (ii) to empower Spanish economy. It was indicated that, not only does local manufacturing ensure to deliver the best quality by utilizing local resources with a rich diversity, but it also boosts Spanish economy by helping create local workforce. However, governmental subsidies and financial aids must be rearranged to better support SMEs. In order to reach EU targets, efforts should be made jointly. Conscious consumption should be transmitted and sustainability should be delivered as a common "language".

## Acknowledgement

This research was conducted within the framework of the European Doctorate in Industrial Management (*EDIM*). This doctorate program is funded by European Commission's the Education, Audiovisual and Culture Executive Agency (*EACEA*), under Erasmus Mundus Action 1 programs.

## References

- Aakko, M. and Koskennurmi-sivonen, R. (2013), "Designing Sustainable Fashion: Possibilities and Challenges", Vol. 17 No. 1.
- Abreu, M.C.S. De, Castro, F. De, Soares, F.D.A. and Silva Filho, J.C.L. Da. (2012), "A comparative understanding of corporate social responsibility of textile firms in Brazil and China", *Journal of Cleaner Production*, Elsevier Ltd, Vol. 20 No. 1, pp. 119–126.
- Beckmann, S.C. (2007), "Consumers and Corporate Social Responsibility: Matching the unmatchable?", *Australasian Marketing Journal (AMJ)*, Elsevier, Vol. 15 No. 1, pp. 27–36.

- Bruce, M. and Daly, L. (2006), "Buyer behaviour for fast fashion", *Journal of Fashion Marketing and Management*, Vol. 10 No. 3, pp. 329–344.
- Buckley, P.J. and Ghauri, P.N. (2004), "Globalisation, economic geography and the strategy of multinational enterprises", *Journal of International Business Studies*, Vol. 35 No. 2, pp. 81–98.
- Cadogan, J.W., Cui, C.C., Morgan, R.E. and Story, V.M. (2006), "Factors facilitating and impeding the development of export market-oriented behavior: A study of Hong Kong manufacturing exporters", *Industrial Marketing Management*, Vol. 35 No. 5, pp. 634–647.
- Cadogan, J.W., Souchon, A.L. and Procter, D.B. (2008), "The quality of market-oriented behaviors: Formative index construction", *Journal of Business Research*, Elsevier Inc., Vol. 61 No. 12, pp. 1263–1277.
- Central Intelligence Agency. (2014), "The World Factbook", *The World Factbook: Europe Spain*, available at: <https://www.cia.gov/library/publications/the-world-factbook/geos/sp.html> (accessed 19 March 2014).
- Elg, U., Ghauri, P.N. and Tarnovskaya, V. (2008), "The role of networks and matching in market entry to emerging retail markets", *International Marketing Review*, Vol. 25 No. 6, pp. 674–699.
- EPA. (2011), "US Environmental Protection Agency", available at: <http://www.epa.gov/> (accessed 14 March 2014).
- Euromonitor International. (2013), "Retailing in Spain-Country Report", available at: <http://www.euromonitor.com/retailing-in-spain/report> (accessed 19 March 2014).
- Europe 2020. (2011), "Europe 2020 Targets", available at: [http://ec.europa.eu/europe2020/pdf/targets\\_en.pdf](http://ec.europa.eu/europe2020/pdf/targets_en.pdf) (accessed 16 March 2014).
- European Commission. (2011), "Europe 2020 – EU- Wide Headline Targets for Economic Growth", *Europe 2020*, available at: [http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/targets/index\\_en.htm](http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/targets/index_en.htm) (accessed 15 March 2014).
- European Commission. (2013), *Small Business Act (SBA) Fact Sheet 2013 Spain*, Brussels.
- Flegel, H. (2013), "Manufacturing Inside – Modern Manufacturing: the Key to High Added Value and Wealth", *Manufacturing Performance Day 2013*, pp. 1–23.
- Fletcher, K. (2007), "Slow Fashion", *The Ecologist*, p. 37.
- Guion, L.A., Diehl, D.C. and McDonald, D. (2011), "Triangulation: Establishing the Validity of Qualitative", pp. 2–4.
- Hofstede, G. (2014), "Cultural Dimensions", available at: <http://geert-hofstede.com/dimensions.html> (accessed 26 March 2014).
- Karst, D., Hain, M. and Yang, Y. (2009), "Care of PLA Textiles", Vol. 13 No. 4.
- Kim, K.H., Ko, E., Xu, B. and Han, Y. (2012), "Increasing customer equity of luxury fashion brands through nurturing consumer attitude", *Journal of Business Research*, Elsevier Inc., Vol. 65 No. 10, pp. 1495–1499.
- Maignan, I. and Ferrell, O.C. (1997), "Corporate social responsibility and marketing: An integrative framework", *Journal of Academy of Marketing Science*, Vol. 32 No. 1, pp. 3–19.
- Maudos, J. (2013), "Spanish SMEs' financial restrictions: The importance of bank credit", *Spanish Economic and Financial Outlook*, Vol. 2 No. 1, pp. 28–39.
- Ministerio de Empleo y Seguridad Social. (2013), "Salario mínimo interprofesional. Importe", available at: <http://www.empleo.gob.es/es/informacion/smi/contenidos/imporcualact.htm> (accessed 14 March 2014).
- OECD. (2013), *Financing SMEs and Entrepreneurs*, pp. 19–35.
- Onwuegbuzie, A.J., Dickinson, W.B., Leech, N.L. and Zoran, A.G. (2009), "A qualitative framework for collecting and analyzing data in focus group research", *International Journal of Qualitative Methods*, pp. 1–21.
- Parasuraman, A., Zeithami, V.A. and Berry, L.L. (1986), "A conceptual model of service quality and its Implications for future research", *Journal of Marketing*, Vol. 49 No. Fall 1985, pp. 41–50.
- Podnar, K. and Golob, U. (2007), "CSR expectations: the focus of corporate marketing", *Corporate Communications: An International Journal*, Vol. 12 No. 4, pp. 326–340.
- Pookulangara, S. and Shephard, A. (2013), "Slow fashion movement: Understanding consumer perceptions—An exploratory study", *Journal of Retailing and Consumer Services*, Elsevier, Vol. 20 No. 2, pp. 200–206.
- Reportlinker Adds Apparel Retail. (2010), "Apparel Retail: Global Market Analysis - Market Research Report", available at: <http://www.reportlinker.com/p0120059-summary/Apparel-Retail-Global-Industry-Almanac.html> (accessed 12 March 2014).
- Saturate. (2013), "Saturate", available at: <http://www.saturateapp.com/> (accessed 13 March 2014).

- Saunders, M., Lewis, P. and Thornhill, A. (2009), *Research Methods for Business Students*, Pearson Education Limited, 5th ed., pp. 343–348.
- Tellis, W. (1997), “Application of a Case Study Methodology”, Vol. 3 No. 3, pp. 1–16.
- The World Bank. (2007), *Vertical and regional integration to promote African textiles and clothing exports a close knit family?*, Washington, D.C., pp. 1–120.
- United Nations. (1987), *Report of the World Commission on Environment and Development: Our Common Future*, available at: [http://conspect.nl/pdf/Our\\_Common\\_Future-Brundtland\\_Report\\_1987.pdf](http://conspect.nl/pdf/Our_Common_Future-Brundtland_Report_1987.pdf).
- Werther, W.B. and Chandler, D. (2005), “Strategic corporate social responsibility as global brand insurance”, *Business Horizons*, Vol. 48 No. 4, pp. 317–324.
- Woo, H. (2013), *Do consumers want a “Good” apparel brand? The effects of apparel brands’ corporate social responsibility (CSR) practices on brand equity moderated by culture*, The University of North Carolina, Greensboro, NC.
- Woodside, A. (2010), *Case Study Research: Theory . Methods . Practice*, Emerald Group Publishing Limited, Boston, 1st ed., pp. 241–291.
- World Bank. (2014), “World Development Indicators\_ Spain”, available at: <http://databank.worldbank.org/data/views/reports/tableview.aspx> (accessed 19 March 2014).
- World Economic Forum. (2012), *The future of manufacturing opportunities to drive economic growth*, Cologny/Geneva, pp. 3–80.